
Columbus Municipal Airport

2013 Annual Report





Table of Contents

Section 1: Executive Summary

Overview from Airport Director Brian Payne	p. 3
Economic Development	p. 3-5
Airfield Improvements	p. 6-7
Air Traffic Control Tower	p. 7-8
Community Relations	p. 8-9

Section 2: Budget

Overview	p. 9-12
----------	---------

Section 3: 2014 Goals

Overview	p. 13-14
----------	----------

This Annual Report is prepared for the citizens of the City of Columbus and the following 2013 public officials:

Columbus Mayor:
The Honorable Kristen Brown

Columbus City Council:
*Dascal Bunch
Ryan Brand
Frank Jerome
Frank Miller
Tim Shuffett
Kenny Whipker
Jim Lienhoop*

Aviation Board:
*James Stribling
Richard Gaynor
Dennis Tibbetts
Caleb Tennis
Steve Fushelberger
Frank Jerome, City Council
Liaison*

Airport Management:
*Brian Payne
Carlos Laverty
Melinda Finley
Ryan Ritchison*





Executive Summary

Overview from Airport Director Brian Payne

This year brought many fresh ideas and plans to the forefront. While 2012 may have been a time for new faces, it wasn't the end of the hiring process for the Airport. The Airport Board and City Council approved the hiring of a new Assistant Airport Manager position and the reorganization to focus on internships and relationships with the higher education institutes.

The Airport Board also changed Airport consulting firms to Woolpert after a long awaited RFQ process. These administrative changes in 2013 and the many projects listed below have positioned the Airport to be more inviting, better operating, and plan to bring an overall positive movement for many years to come.

Economic Development

One word; Airpark. That was the location of focus and success for 2013. Months of debate, meetings, and discussions with the Airport Board, FAA, Planning Commission, and City Council finally agreed upon and approved the needed change to include student housing on Airpark Property.

A RFP/Q was produced and a student housing developer with a niche market of commuter campus student housing came to the front of the line. Bluffstone Student Housing Developers have agreed to lease Airport land and build an approximate 114 bed development to benefit all higher educational institutes. The \$5 million dollar housing complex will be built and ready for occupancy by summer of 2015. Another Airpark improvement was the breaking of ground and building of a new medical office at the corner of Whiney Drive and Central Avenue.

The expansion of the Atterbury-Bakalar Air Museum started in the fall of 2013 with generous support from the Mayor and \$150,000 from the Airport Board. This expansion, due to open in April of 2014, will more than double the size of exhibit space and help to capture and promote the rich Columbus aviation history for years to come.

We also welcomed Canteen Vending and Outdoor Services on to Airpark property. These additional companies along with the newly formed Intra-Airpark Council have positioned us to make the Airpark more successful. The success of our tenants is extremely important as we continue to encourage new development. The Airport continues to take steps to further develop the Walesboro property as well as add additional aviation related businesses around the Airport grounds to continue to increase our economic impact to the City of Columbus.

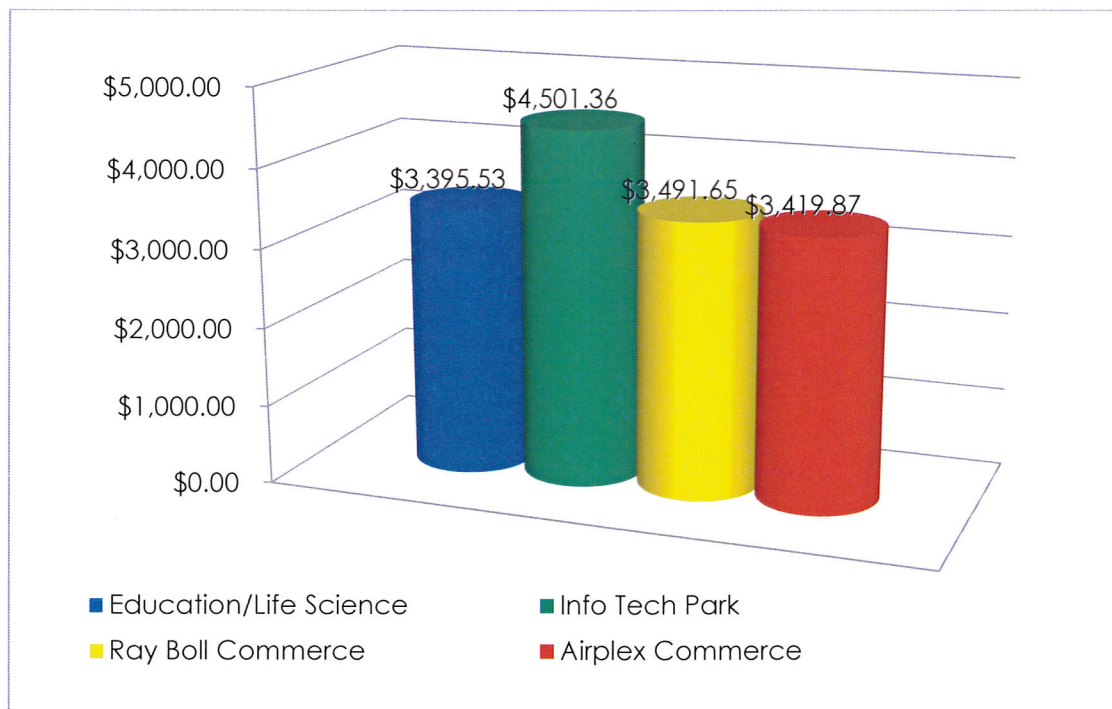
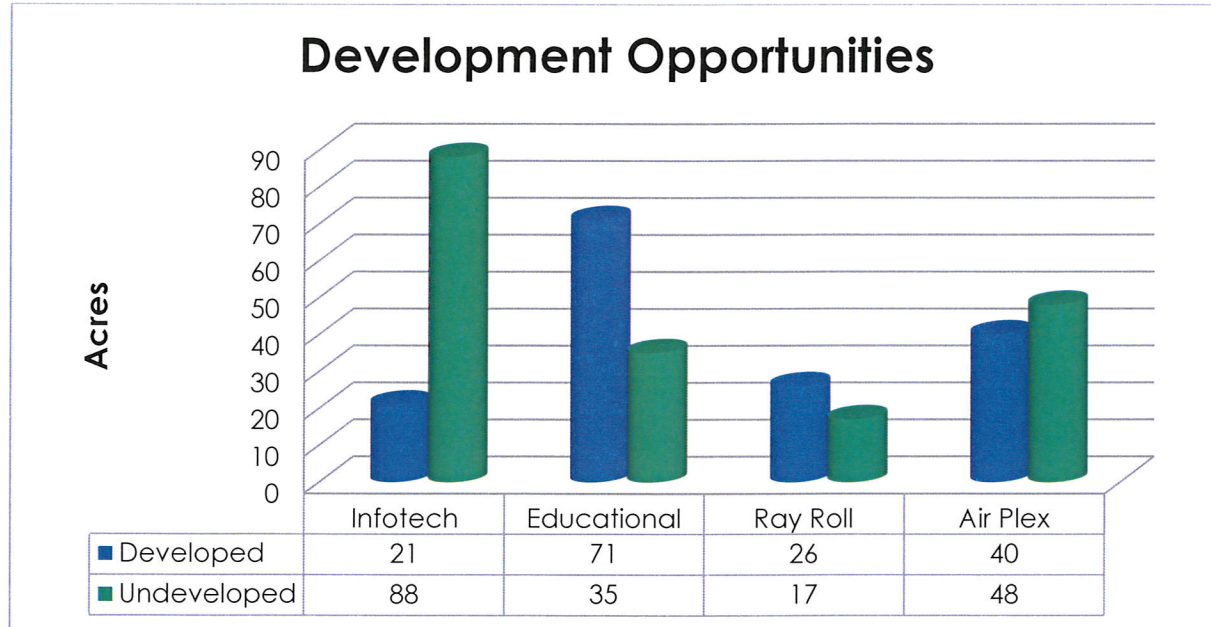


2012 Indiana Economic Impact Study

		On-Airport	Airport Users	Multiplier	Total
Indianapolis International	<i>Jobs</i>	9430.8	6535.8	4975.6	20942.2
	<i>Payroll</i>	\$540,800,795	\$588,394,083	\$290,778,983	\$1,419,973,861
	<i>Output</i>	\$1,466,680,045	\$2,092,694,033	\$1,015,482,750	\$4,574,856,838
South Bend Regional	<i>Jobs</i>	471.7	3231.7	2846.1	6549.5
	<i>Payroll</i>	\$21,880,862	\$263,232,362	\$110,204,721	\$395,317,945
	<i>Output</i>	\$66,031,256	\$1,331,948,464	\$321,463,504	\$1,719,443,224
Fort Wayne International	<i>Jobs</i>	873.2	2711.6	1366.8	4951.6
	<i>Payroll</i>	\$48,114,851	\$169,731,529	\$54,960,934	\$282,807,243
	<i>Output</i>	\$100,547,348	\$714,400,955	\$160,502,174	\$975,450,477
Evansville Regional	<i>Jobs</i>	148.5	3124.8	1300.9	4574.2
	<i>Payroll</i>	\$10,963,480	\$197,536,719	\$50,740,890	\$259,241,089
	<i>Output</i>	\$25,143,966	\$765,833,952	\$154,951,530	\$945,979,448
Warsaw Municipal (Warsaw)	<i>Jobs</i>	14	2872.5	2066	4952.5
	<i>Payroll</i>	\$817,511	\$287,924,970	\$71,056,352	\$359,798,833
	<i>Output</i>	\$2,600,503	\$655,973,902	\$200,314,650	\$858,889,055
Columbus Municipal Airport (Columbus)	<i>Jobs</i>	46.5	2542.2	1304	3892.7
	<i>Payroll</i>	\$2,926,648	\$196,781,797	\$49,902,726	\$249,611,171
	<i>Output</i>	\$10,847,132	\$494,915,120	\$144,837,086	\$650,599,338
Huntingburg Airport (Huntingburg)	<i>Jobs</i>	34	1721.9	993.3	2749.2
	<i>Payroll</i>	\$2,433,905	\$99,752,435	\$44,925,834	\$147,266,294
	<i>Output</i>	\$8,752,903	\$394,354,174	\$118,919,805	\$522,026,882
Indianapolis Executive Airport (Zionsville)	<i>Jobs</i>	118.2	1643.2	633.7	2395.1
	<i>Payroll</i>	\$6,649,597	\$96,280,275	\$21,333,586	\$124,263,458
	<i>Output</i>	\$16,950,961	\$351,617,277	\$61,553,422	\$430,121,660
Monroe County Airport (Bloomington)	<i>Jobs</i>	38	931.5	697.5	1667
	<i>Payroll</i>	\$2,220,683	\$43,024,595	\$26,468,696	\$71,713,794
	<i>Output</i>	\$5,734,000	\$149,559,939	\$75,625,444	\$230,919,383
Clark Regional (Jeffersonville)	<i>Jobs</i>	131.8	714.7	274.9	1121.4
	<i>Payroll</i>	\$7,003,408	\$44,813,833	\$10,413,280	\$62,230,571
	<i>Output</i>	\$17,643,036	\$184,501,067	\$32,451,587	\$234,595,690



The Airpark is poised and ready for future development with significant ground available for lease. The chart below depicts the amount of acres that are developed and undeveloped in the AirPark as well as the average price per acre on developed land.



The Airport side of the fence is also ready for future development by both private individuals and corporate flight departments with lease rates on land averaging \$3,220 per acre. Availability for future industrial development at Walesboro currently consists of 507 open and accessible acres!



Airfield Improvements

The Airport spent 2013 as a growth and planning year focusing on the long term future of the airfield. Board members spent countless hours discussing the mission, vision, and guiding principals of both the airside and landside. The end result was a project plan and list of priorities for airport projects and airfield improvements to guide staff on a daily basis.

Mission: To maximize safe, efficient, high quality access to the global airspace system for the betterment of Columbus and South Central Indiana.

Vision: To be the airport that provides the greatest possible benefit for all aviation users while enhancing business and educational opportunities for Columbus and South Central Indiana.

Airport Maintenance performed numerous improvements throughout the Airport including concrete apron panel repair, tower painting, upgrades to numerous hangars, and much needed landscaping of the Terminal area. Crack sealing of Taxiways Alpha and Bravo along with the South Apron were also completed in 2013 to proactively extend the useful life of our pavement.

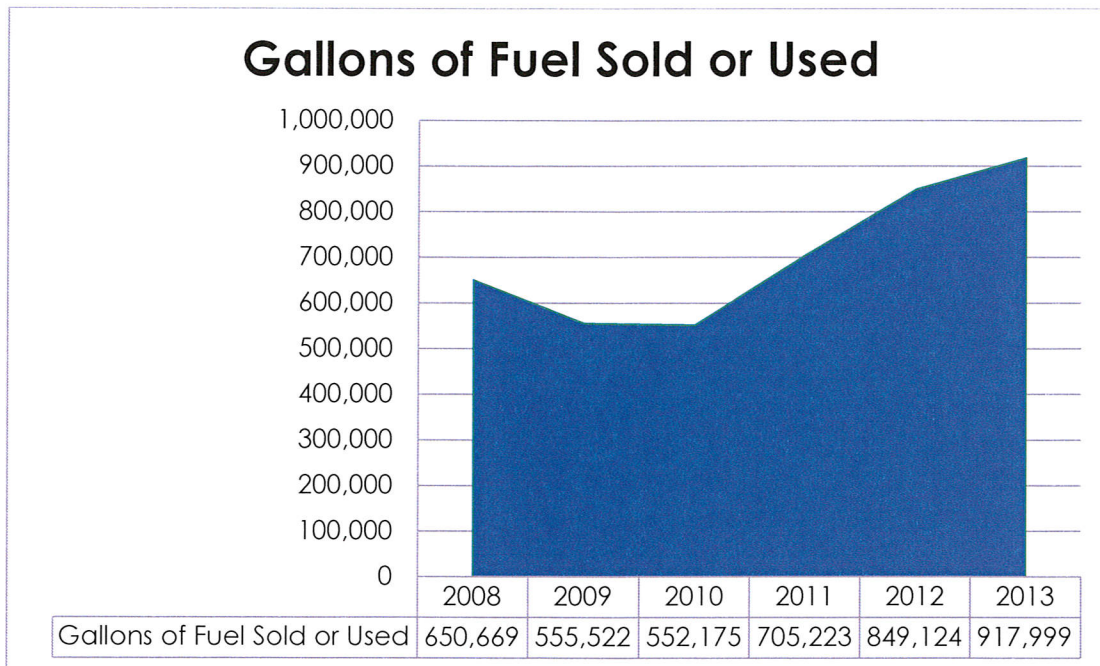
After months of questions and debate, the Airport finally took ownership on a long abandoned derelict aircraft. The Airport Board approved the use of the old DC-3 as an Aircraft Rescue and Firefighting (ARFF) trainer. Maintenance employees spent many hours getting it ready for its unveiling and in November 2013 ARFF personnel simulated an engine fire with smoke in the cabin. This valuable training will keep CFD ARFF personnel better prepared in case of an actual emergency.

The Airport remained busy with operations ranging from small single engine aircraft to C-130's and Boeing 737's. The chart below depicts our operations over the past 10 years ending with last years number of 37,884.





The price of fuel locally has remained competitive with surrounding airports; however, the addition of the self-fuel system should drive demand up and prices down in 2014! While operations may have slipped slightly in 2013, the number of gallons used on the property has increased to a six year high!



Our Airport Capital Improvement Plan (ACIP) establishes project priorities for future airport improvement needs. The Airport will focus all efforts on the rehabilitation of runway 14/32 as that pavement is beyond its useful life. We anticipate an FAA grant of approximately \$3.5 million dollars in October 2014 to cover 90% of the project with an additional 5% grant match from the State.

Some of the other top items for which funding is needed in the future are: Installation of a Wildlife/Security Fence, Rehabilitation of Taxiways A3/A4; Protection of Airspace Corridors; Enhanced Runway Protection Zones; Construct Air Traffic Control Tower.

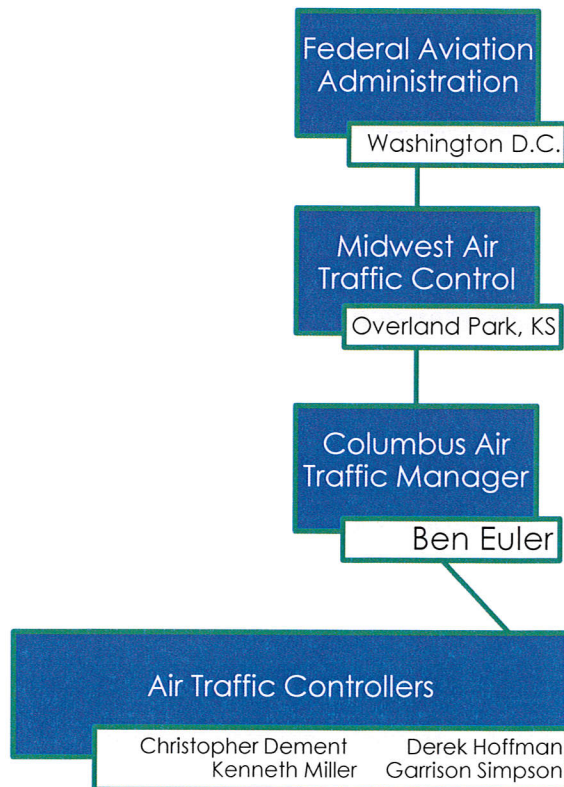
Air Traffic Control Tower

The Tower was a hot topic in 2013 as Sequestration cuts by the government threatened to close 149 towers in the United States including the Columbus Municipal Airport Control Tower. After many phone calls to our Representatives and Senators and a debate in the Senate and House, the Tower program has been spared and funding is now in place until September 2014. But that's not the only issue with the Columbus Control Tower.



The Airport's existing tower is over 60 years old and does not meet many of the most basic requirements including adequate restroom facilities, ADA access, wind loading, adequate space, and proper heating and cooling equipment.

The Airport has completed the siting study and environmental on the Tower project and have determined how to move forward. Next steps include getting a design and searching for the proper funding avenues. Design is expected to take place at the end of 2014 with the hope of bidding the project for a possible 2015/2016 construction. All of this is contingent upon finding matching funds as the Airport cannot afford to build the tower and retain a positive cash flow. Below is an organizational chart for the Control Tower:



Community Relations

Airport Board meetings were heavily attended in 2013 due to the many interesting and exciting things occurring on the property. From drainage ditches to student housing and land leases to tower talk, the public were able to weigh in on a number of topics. Board members listened to public comment and took alternative views into consideration as we pushed forward to a successful year.



The Airport continued involvement in events which promote community awareness and understanding of the roles and responsibilities that the Airport plays to the City of Columbus. A new Intra-Airpark Council was established to allow all Airpark tenants an opportunity to network with each other in hope of using on site services such as mowing, snow removal, vending, or office supplies. Working together is the best way to make sure that our Airpark continues to prosper while supporting the companies that financially support the Airport.

Airport Administration again gave several school class tours, on-site and off-site presentations, participated in multiple internships for both Aviation and Marketing interns, and continued our involvement in the Young Eagles and First Flight Programs.

Budget

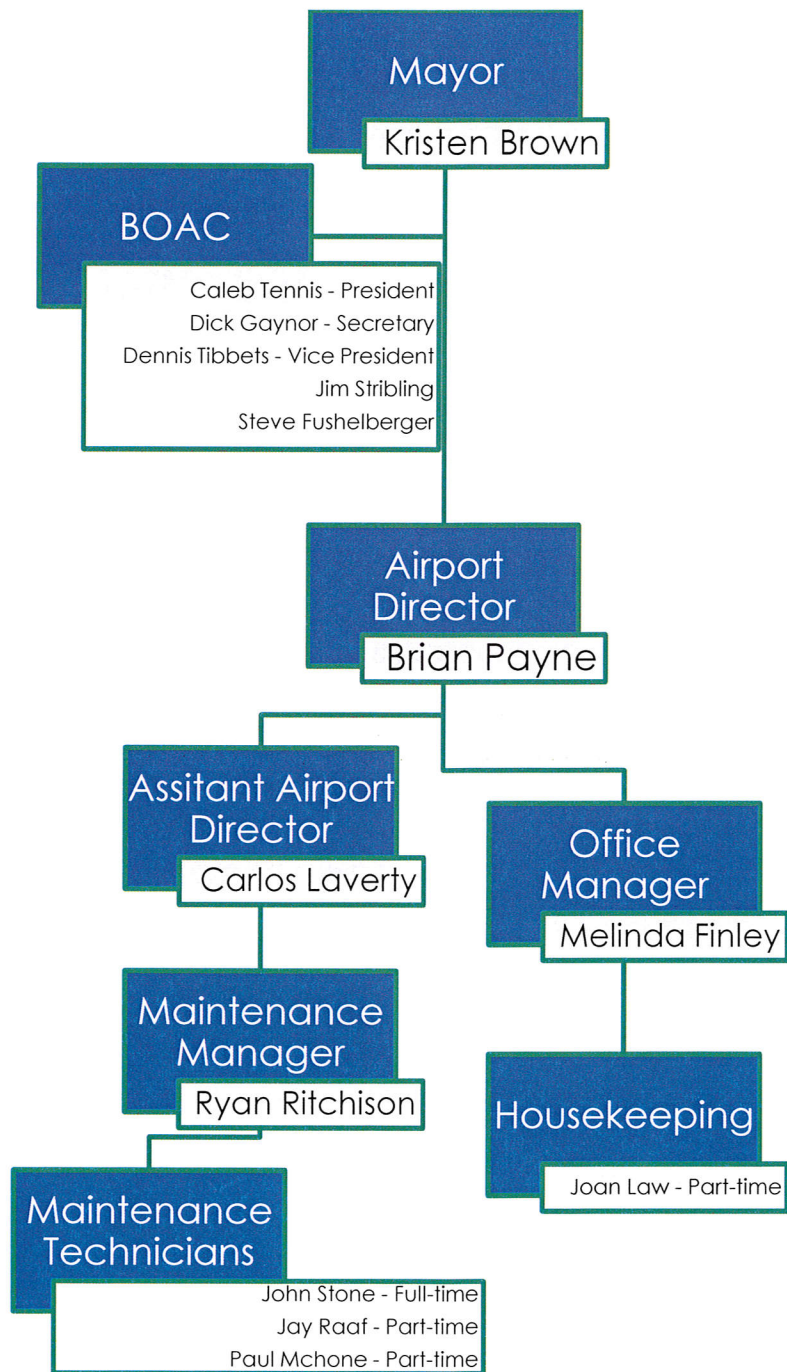
The Airport ended the year within budget while also continuing to maintain a \$2.5+ million dollar cash reserve sufficient to address issues that could not be foreseen but which may well have safety or time critical aspects. We continue to look for ways to cut expenses and increase efficiencies while maintaining the Airport's 3,000 acre infrastructure.

Examples of expenditures cut come from multiple locations across the property. By bringing all part-time employees hiring in house versus an external staffing company the Airport has gone from an average wage of \$15.02 to \$10.19 per hour. A significant savings over the course of a year! Another personnel change from a contract cleaning person for the Terminal to a part-time position saved \$320 per month or \$3,840 per year!

Other reductions completed during 2013 include removal of pay phones (\$936/yr), changing uniform companies (\$4,158/yr), and switching mat and restroom supply company (\$1,388/yr). Airport employees have begun proper weed control instead of using a contract company saving over \$300 per year. In fact the introduction of year round part-time employees have reduced numerous items including the paint and restoration of the Airport owned building at Arnold Street and assisting with the installation of energy efficient lighting which should save \$2,000 the first year at one location and over \$12,000 at another Airport

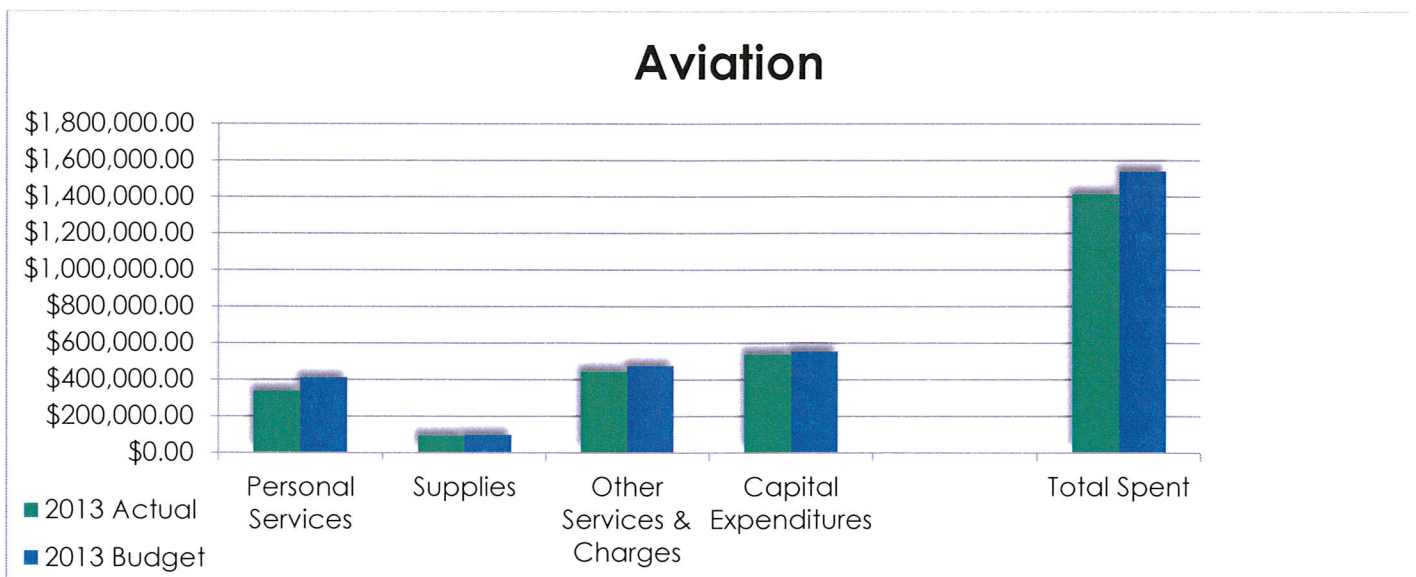
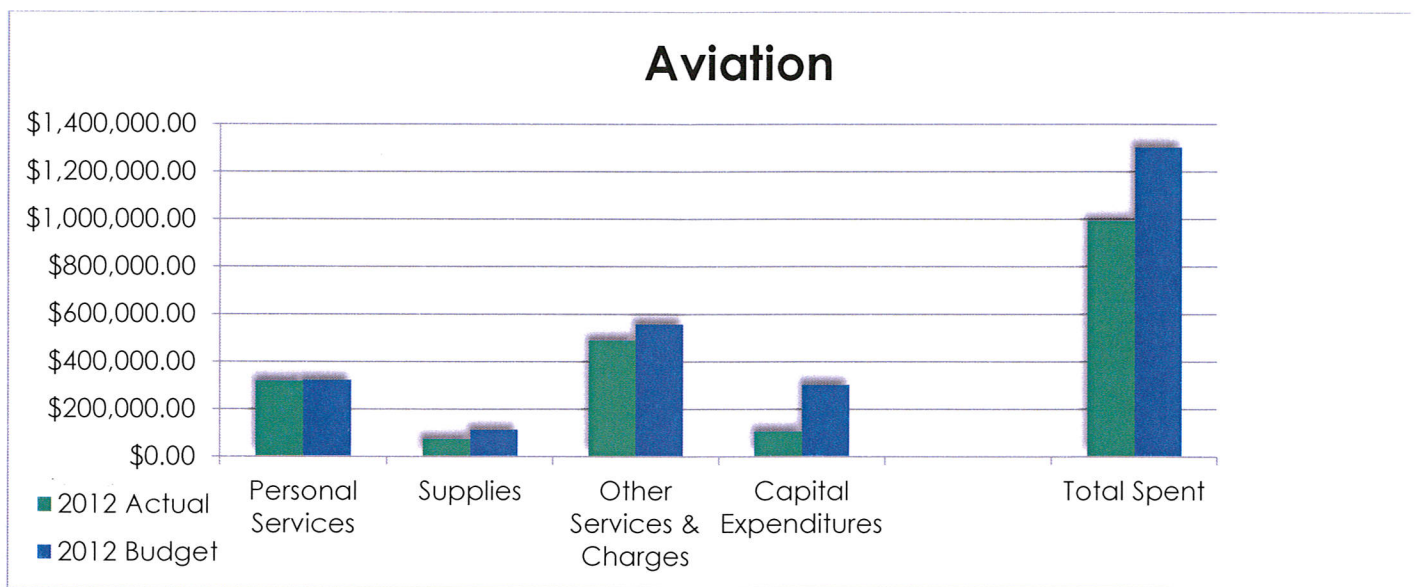


location. Staff also completed the painting of a hangar for a savings of \$3,500 over a local quote. The restructuring below is what has allowed the Airport to focus on utilizing in-house vs. contract employees.





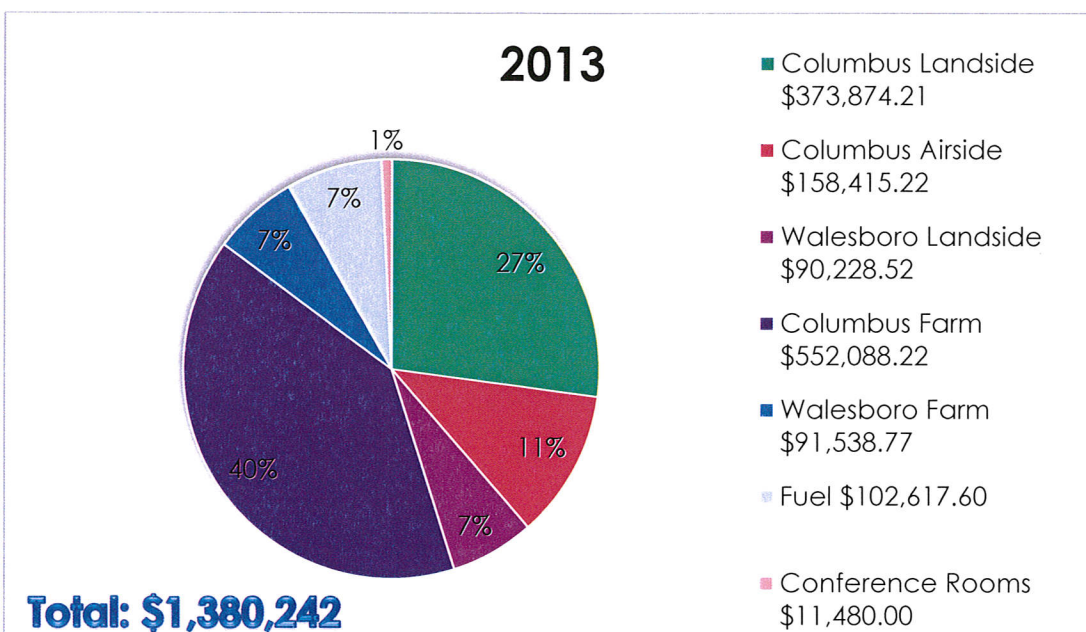
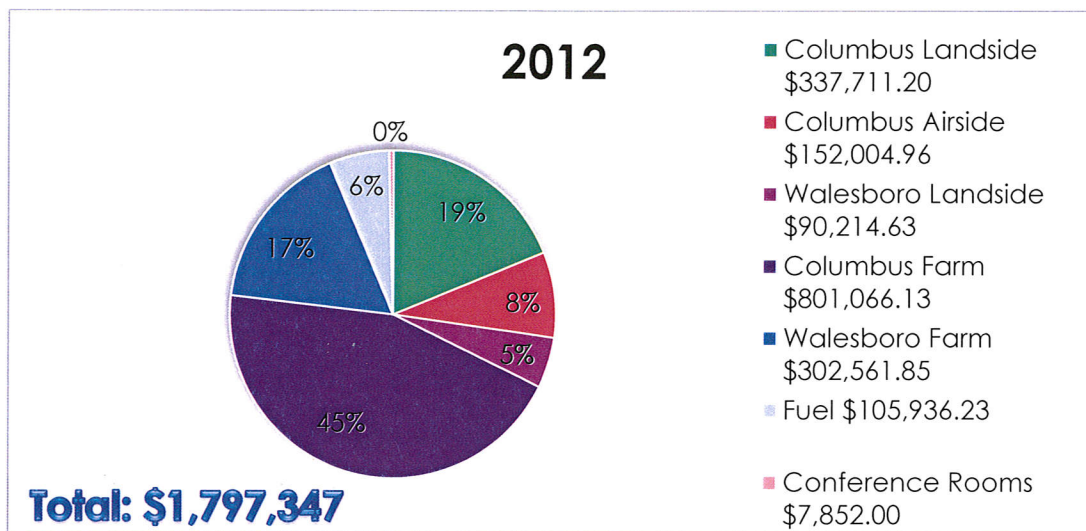
When looking at 2013 and 2012 budgets it is fairly clear to see that Capital expenditures and items have caught the eye of the Airport Board. Repair items from many years of neglect took a majority of funds including crack sealing, concrete panel replacement, repairs on hangar roofs, and replacement of T-hangar gutters. Additional maintenance items such as our new FODBuster, which creates a cleaner and safer airfield environment, to the badly needed replacement of many maintenance items including a new tractor and bushog to mow the many acres of airfield and landside terrain also took a bite out of the Capital budget. Below illustrates the actual verses budgeted amounts for both 2012 and 2013:





As we begin to look at Airport revenues over the course of the past two years one thing is certain, the unpredictability of farming revenue. At the Columbus location farming operations consists of 1,250 acres with a 3 year average return per acre of \$373 while the Walesboro location consists of 490 acres and has a 3 year average of \$343 per acre.

As you can see in the pie charts below, Airport revenue from farming went from 62% of our revenue in 2012 to 47% of our revenue in 2013. Grain production during the droughts in 2012 (sold in 2013) was likely the cause but the Airport intends to retain a cash balance capable of handling the down years.





2014 Goals

First and foremost, the Columbus Municipal Airport is just that, an airport. As professional airport operators we, the team, look ahead to 2014 and every year to endeavor to see the Columbus Municipal Airport operate as a safe, efficient, and first-class facility for the City of Columbus and all of the surrounding regions.

The future potential of this Airport, both airside development as well as landside additions, is undoubtedly a driving force for the City of Columbus. The Airports current Board Members and Administrative staff have a vision on moving forward to greater heights.

Our continued support and interest in education, particularly aviation education, will make large strides in 2014 with the August debut of an aviation education program through Ivy Tech. Another flight school will relocate to the Airport due to the education program which is expected to increase our operations and fuel sales from our new self-fuel farm opening in April 2014.

The student housing project will be available for occupancy in summer of 2015. This \$5 million dollar addition to the Airpark will culminate into additional opportunities for Airport Campus students as well as potential growth from retail establishments. Doctors, nurses, and patients will be frequenting the Airpark after the summer opening of a medical office on the property. SIHO recently signed a lease with the Airport to establish their student interns to live on property during the summer and is expected to debut in 2014.

The Board will continue to focus on the remodel of the 40 year old Terminal building to a more modern standard incorporating the needs of today's travelers with the welcoming nature of Hangar 5 Restaurant. Many corporate travelers enter our Airport each day and as such we want their first and last impressions of the City of Columbus to be positive ones. It's with the continued support of Ivy Tech's Interior Design program along with their Art department that we will make the Terminal Building a destination and inviting location for meetings, interesting student artwork, and great food.



The Airport will leverage additional growth from current investors and continue to look at new avenues and opportunities. A strong marketing push on the Airpark will lead to a RFP for developers interested in retail/commercial space along Central Avenue. Agriculture will again play a lead role on maintaining a positive cash flow and we will look at possibilities for capturing additional revenue from that source.

This Airport has so much potential and it will be working together, hand in hand, with Local, State, and Federal officials to ensure that the Columbus Municipal Airport has a high flying future for years to come!

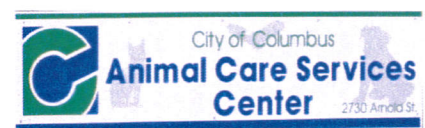
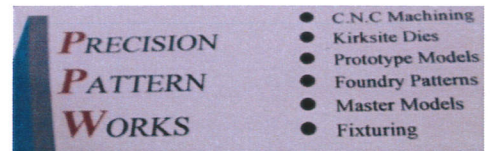
The following are just some of the many strategic plan initiatives for 2014:

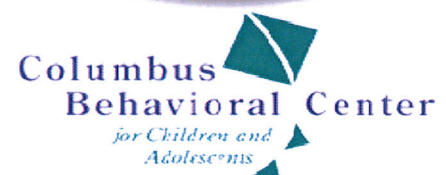
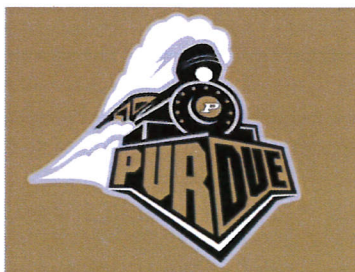
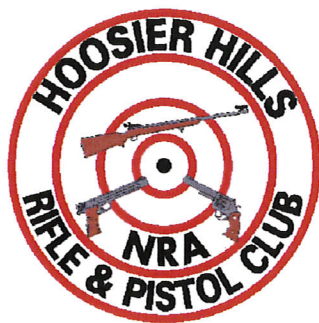
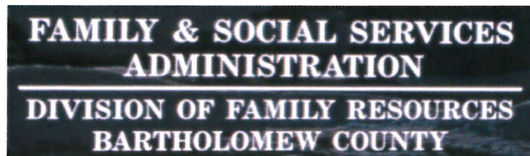
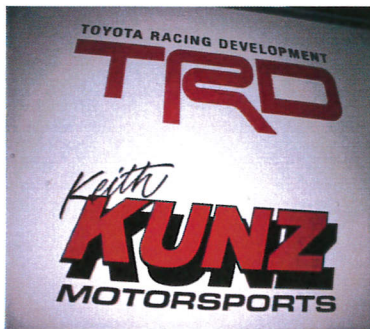
- Self-Fuel Farm for Aviation Fuel
- New Flight School
- Plan for New Control Tower
- Aviation Education Program
- Airpark Additions; Student Housing, Intern Housing, Medical Office
- Museum Expansion
- Aviation Day on June 7
- RFP for Retail/Commercial Growth
- Terminal Renovation
- Earn Indiana Airport of the Year Award
- Plan for Future Hangar Growth

Airpark Tenants



BLUFFSTONE



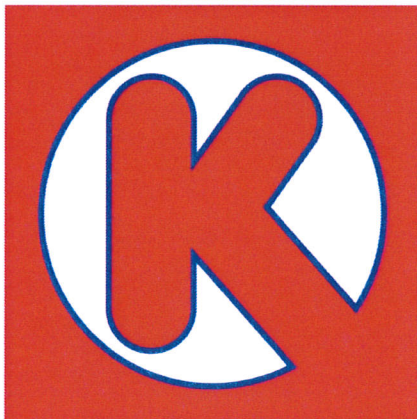




COLUMBUS
REGIONAL
HEALTH



Airport Tenants



Walesboro Tenants



A Subsidiary of AK Steel Corporation

